

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as First Class Mail in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231 on *November 11*, 1998.

ALZA CORPORATION

By: *Henrietta Votaw*
Henrietta Votaw



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s) : CORMIER, et al.)
Serial No. : Not Assigned) Group Art Unit: .
Filed : Evendate Herewith) Examiner: Not Assigned
For : Buffered Drug Formulations For)
Transdermal Electrotransport)
Delivery)

Honorable Assistant Commissioner for Patents
Washington, D.C. 20231

PETITION UNDER 37 CFR §1.47(a)

Sir:

This is a Petition for acceptance of a partially unsigned Declaration and Assignment for the above-identified U.S. patent application, which is filed herewith.

08/26/1999 AYILMAZ 00000008 011173 09190887
01 FC:122 130.00

This Petition is supported by a Declaration from the undersigned attorney. Applicants believe that the attached Declaration satisfies all of the factual requirements of 37 CFR 1.47(a). Accordingly, acceptance of this Petition is respectfully requested.

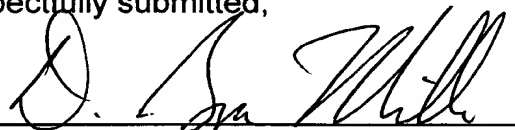
The Assistant Commissioner and the U.S. Patent Office are authorized to charge the fee under 37 CFR §1.17(h) and any other fees associated with this Petition to ALZA's Deposit Account No. 01-1173.

Dated:

November 10, 1998

ALZA Corporation
950 Page Mill Road
P.O. Box 10950
Palo Alto, CA 94303-0802
(650) 496-8150

Respectfully submitted,



D. Byron Miller, Reg. No. 30,661
Attorney for Applicants

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as First Class Mail in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231 on November 11, 1998.

ALZA CORPORATION

By: Henrietta Votaw
Henrietta Votaw

JCS42 U.S. PTO
09/190887
11/12/98

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s) :	CORMIER, et al.)	
)	
Serial No. :	Not Assigned)	Group Art Unit:
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Filed :	Evendate Herewith)	Examiner: Not Assigned
)	
For :	Buffered Drug Formulations For)	
	Transdermal Electrotransport)	
	Delivery)	

Assistant Commissioner for Patents
Washington, D.C. 20231

DECLARATION SUPPORTING PETITION UNDER 37 CFR 37 §1.47(a)

Sir:

D. Byron Miller, the undersigned, declares that he is the attorney of record for applicants in the above-identified U.S. patent application.

The above-identified U.S. patent application, which is filed herewith, is owned by ALZA Corporation of Palo Alto, California. The application has four inventors; Iris K. Leung, Michel J.N. Cormier, Sara L. Sendelbeck and Anna Muchnik.

One of these four co-inventors, namely Iris K. Leung, has refused to sign the Declaration and the Assignment which accompany this application. The circumstances surrounding Iris Leung's refusal to sign the Declaration and Assignment are as follows.

The present application is a continuation-in-part of an earlier patent application, Serial No. 08/969,217 filed November 12, 1997, which lists Iris Leung as the sole inventor. On or about November 20, 1997, ALZA Corporation, the owner of the parent and continuation-in-part applications, laid off approximately 90 of its employees. Iris Leung was one of those employees that was laid off. A copy of the November 25, 1997 company/employee newsletter, ACE Weekly, which contains an announcement of the November 20, 1997 layoffs is attached as Exhibit A. Pages 8 and 9 of Exhibit A contains an alphabetical listing of the ALZA employees who were effected by this layoff. Dr. Leung's name appears on page 8, second column.

During the Summer and Fall months of 1998, the undersigned attorney began preparing the above-identified continuation-in-part application, working primarily with the other three coinventors who are Dr. Leung's former colleagues at ALZA Corporation. Once the application was prepared, Dr. Leung was contacted via email on October 1, 1998. On October 2, 1998, Dr. Leung replied by email with her home and work addresses. Shortly thereafter, on October 2, 1998, a copy of the continuation-in-part application was sent to Dr. Leung for her review and signature of the Declaration and Assignment to ALZA Corporation. By letter dated October 12, 1998, Dr. Leung indicated that she was declining to sign the Declaration and Assignment papers for the present application. Further telephone calls and an email dated October 27, 1998 failed to persuade Dr. Leung to sign these documents. Copies of all of the correspondence to and from Dr. Leung are attached hereto as Exhibit B. It is believed that Dr. Leung's refusal to sign the Declaration and Assignment for the present application stems from her being laid off from ALZA Corporation in November, 1997.

The last known addresses for Iris K. Leung are as follows: Home mailing address: 14727 Greenleaf Valley Drive, Chesterfield, MO 63017-5514; business mailing address: Mail Zone, AA21, Monsanto Life Sciences, 700 Chesterfield

Parkway North, Chesterfield, MO 63198; Business email address:
IRIS.K.LEUNG@monsanto.com.

On September 3, 1991, the date on which Dr. Leung first became an employee of ALZA Corporation, Dr. Leung signed a Confidential Information, Secrecy and Invention Agreement. A copy of this Agreement is attached hereto as Exhibit C. Section 5 of the Agreement states that all inventions made by Dr. Leung shall be the sole and exclusive property of ALZA Corporation. Section 5 (a) (ii) of the Agreement imposes an obligation on Dr. Leung to promptly execute all patent applications and assignments therefor. Dr. Leung's refusal to execute the Declaration and Assignment for this application is a breach of this Agreement. This Agreement provides adequate proof of ALZA's ownership of the invention made by Dr. Leung.

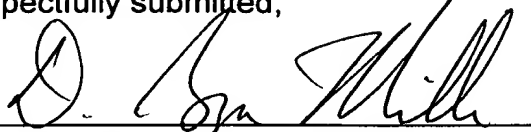
Acceptance of the Declaration and Assignment, both of which are not signed by Dr. Leung, is necessary to preserve ALZA's rights to patent the invention to which this application is directed. ALZA is also taking steps to file this application in the PCT, and hence publication of the corresponding PCT application can be expected in about six months time. Therefore, acceptance of this application, with the partially unsigned Declaration and Assignment, is necessary to predate the PCT publication and to preserve ALZA's right to receive a patent directed thereto.

The undersigned declares further that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true and, further, that these statements were made with the knowledge that willful false statements, and the like, so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Dated: November 10, 1998

ALZA Corporation
950 Page Mill Road
P.O. Box 10950
Palo Alto, CA 94303-0802
(650) 496-8150

Respectfully submitted,



D. Byron Miller, Reg. No. 30,661
Attorney for Applicants

EXHIBIT A



ALZA
Communication
Exchange

Volume 2, Issue 48
November 25, 1997

IN THIS ISSUE:

Workforce Reduction Q&A

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FYI...

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ALZA Action
TAD Q&A
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ACE WEEKLY

A Weekly Newsletter Published for ALZA Employees

Workforce Reduction Q&A

BY LAURA MILLS

On Friday, November 21, Dr. Mario led Q&A sessions in Mountain View and Palo Alto to discuss the recent workforce reduction and ALZA's strategy for the future. The Q&A session in Palo Alto was videotaped. If you were unable to attend and would like a copy of the tape, contact Laura Mills at x5042. Below are a few of the questions addressed and additional information on the workforce reduction.

Q. Why did we reduce our workforce?

A. Since 1993, the company has had an unprecedented period of growth in product commercialization, product development and research spending. This has resulted in a significant increase in the company's expenses as well. This workforce reduction will help ensure that we continue to be competitive as we build for our future success.

Q. How many positions were affected and in which areas?

A. Approximately 90 positions from multiple areas, including the product development and G&A functions, were affected by this action. Areas relatively unaffected include Manufacturing and Sales and Marketing.

Q. Is this the final reduction; are there likely to be any other actions?

A. We have attempted to conduct a thorough review of all areas in the company and believe that with this workforce reduction we have addressed the current cost structure issues. This was very difficult for all involved and we do not want to have to do this again.

Q. If all goes well for the company, will any positions be reinstated?

A. For the most part, the answer is "no". We are currently redefining our workforce needs to achieve a long-term competitive advantage in our industry. Maintaining a reduced cost structure, and limiting or ending expenditures in certain areas will be part of our approach.

Q. Is this a workforce reduction or a performance-related action?

A. Skills and performance were a consideration in some instances, however, the primary emphasis was redefining how we do our work.

Q. How much will this reduction cost the company?

A. The workforce reduction is expected to result in a one-time charge of approximately \$2 million in the fourth quarter. This charge includes the cost of the severance packages and the outplacement service provided for those affected by this action.

Continued on page 5

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Enrollment Deadline December 2

BY DIANE TANGUAY

Open Enrollment has been under way since November 6, 1997. As your Open Enrollment information packet indicates, you may:

- change health plans
- add eligible dependents who are not currently on your health plan
- apply for supplemental term life insurance coverage for yourself, your spouse or for your dependent children
- change your election for the long-term disability premium tax
- enroll in ALZAFLEX for the 1998 Plan Year

If you have any questions, please contact Jo Ann Rogers at x5177 or Diane Tanguay at x5020. You may also contact the HR Direct x5610 between the hours of 8:30 a.m. and 11:30 a.m. or 1:30 p.m. and 4:30 p.m.

Payroll Processing for the Holidays

BY LINDA MEREDITH

If you will not be at work on December 23, the last payday of 1997, and would like to receive your paycheck early, the Payroll department must have your PTO Advance Request for the December payday no later than 5 p.m. on December 5. Due to the very short processing schedule required to process the December 23 paycheck, Payroll will not be able to honor any requests received after 5 p.m. on December 5.

An alternative to an advance would be to sign up for direct deposit. Direct deposit ensures that your money is transferred electronically to your bank and is available on payday. With direct deposit you can have your check deposited in up to three different

accounts. If you would like to sign up, you need to complete a Direct Deposit Authorization form. When completing this form, you are required to supply both the routing number and your account number (if you are unsure of your routing number or account number, please contact your bank). If you do not currently have direct deposit, you must submit your Direct Deposit Authorization form before 5 p.m. on December 5 in order to have your December 23 paycheck deposited.

Both the PTO Advance Request and the Direct Deposit Authorization forms can be found on the Network under ALZA forms.

House and Senate Agree on FDA Reform



BY CHARLES NAU AND NANCY NOE

On Sunday, November 9, after much debate, the Conference Committee of the House and Senate agreed on a compromise version of the *Food and Drug Administration Modernization Act of 1997* that reforms many aspects of the FDA and reauthorizes the Prescription Drug and User Fee Act (PDUFA).

Considering the scope and magnitude of the bill and the number of differences that had to be resolved, first within and then between the two houses, it is amazing to note that the final version of this legislation passed both Houses of Congress by a simple voice vote. Speaking of the Senate side of the endeavor, Senator Jim Jeffords (R-Vermont), the sponsor of S. 830, noted that, "This Conference Report is the culmination of three years of hard work by dozens of senators." Senator Dianne Feinstein (D-California) was certainly an important part of that effort.

In late October, the Senate bill (S. 830) and the House bill (H.R. 1411) were passed to a joint Conference Committee that spent two intense weeks hammering out the final version that was approved by both houses and now goes to the President for signature.

In the end it was Representatives Anna Eshoo (D-California) and Joe Barton (R-Texas) who fashioned the compromise that was agreed upon by the Conferees late Saturday night and approved by the two houses on Sunday evening. In her comments before the House on Sunday, Representative Eshoo praised "the tremendous bipartisan, bicameral support that went into bringing this Conference Report to the House." In his testimony, Representative Barton acknowledged Eshoo's leadership role in achieving resolution, saying, "I must thank the gentlewoman from California, who has just been a one-man band in trying to force compromise."

President Clinton is expected to sign the bill, culminating years of hard work by many members of our industry, as well as members of Congress and their staffs.

If you have questions about the FDA Modernization Act, or you would like a copy of the bill (the full document is slightly over 200 pages), contact Nancy Noe or Charles Nau in Government Affairs.

TAD Q&A



BY JACKIE BYERS

Below is the third Q&A article in a series of articles that will appear in ACE Weekly regarding ALZA's new electronic time reporting system called TAD. This article answers questions regarding charge numbers and recording holidays.

How do I delete unwanted charges from my time sheet?

If you charged time to the wrong charge number, and wish to transfer the hours to the correct charge number, type a zero over the erroneous hours. Select the correct charge number, then enter the hours under the appropriate date. *Alternatively, if you selected the wrong charge number, but realize it after you have already entered all the hours for this number, you can re-select a new charge number by clicking the charge number button (the three-dot button) on that line.*

If you mistakenly selected a charge number, and wish to remove it from your time sheet, simply do not enter hours for that charge. When you save your time sheet, the unused charge number will disappear from the time sheet.

Can I save charge numbers from one time sheet to the next?

No. In this version of TAD it is not possible to save charge numbers from time sheet to time sheet. This feature will be implemented in a future version of TAD.

If a charge number or an activity associated with a charge number is closed, will an employee be able to select it in TAD? How often are the numbers updated in TAD?

Charge numbers that are closed will not show up as choices in TAD. Charge numbers are updated daily.

How does TAD count my hours if I work on a holiday?

If an Exempt person works on a holiday no additional time is paid. Whether or not you worked during the holiday, enter the holiday on your time sheet using the HOLIDAY non-work code.

If a Nonexempt person works on a holiday he/she is paid at a straight time rate and the holiday hours are also paid at a straight time rate. Some people may view this as the equivalent of double-time, but this is not true since you will always be paid for a holiday regardless of whether you worked during the holiday or not. Whether or not you worked during the holiday, enter the holiday on your time sheet using the HOLIDAY non-work code. Hours worked during the shutdown will be paid at straight time plus holiday pay.

Feedback or issues regarding TAD should be addressed to the TAD Feedback cc:Mail address. If you need help using TAD, please contact the Help Desk at x2226.

(Workforce Reduction - Continued from page 1)

Q. Is this workforce reduction due to a shift in strategic focus?

A. It is not due to a shift in our strategic focus; we are evolving to keep pace with our growth objectives.

As we have stated, by the year 2000 we need to be in a position to self-fund the development of ALZA products. To achieve this, it is essential that we manage our cost structure and business wisely.

Q. Is this related to the current budgeting process for the company?

A. Every company looks at staffing levels during the budgeting process, but this action was driven by our vision for our future growth and was not primarily a response to the yearly budget process.

Q. How does this relate to this past summer's retirement/transition assistance plan?

A. This workforce reduction addresses a strategic growth issue that is mostly unrelated to last summer's retirement/transition plan.

Q. Does this mean we are all going to have to work harder to compensate for the eliminated positions?

A. In many instances, we have decided to reduce services or provide them in a different manner, such as through outsourcing. In these cases, the corresponding workload will go down or will not fall to ALZA employees. We also need to reprioritize certain activities to assure that we work on the most valuable projects/activities. And, to a modest degree, yes—many of us may have to work somewhat harder, be satisfied with more modest service levels from service groups, or do things ourselves that internal services provided in the past. In the long run this action will support strong, future growth.

Q. What will happen to the current "open positions" within the company?

A. These positions are being reviewed. Each open position will be carefully reviewed at the EC level preceding any job offers.

Q. What level of positions were part of this action?

A. Positions affected include those at a senior level and entry level; employees affected included individuals with long service and those who joined ALZA more recently.

Q. Why did we take this action now, just before the holidays?

A. The proximity to the holiday season is unfortunate but not intentional. There probably is no "good" time to conduct such an action.

Q. With so many people leaving at once, how will we know whom to contact in certain areas?

A. Good communication will be very important moving forward. We will be providing information in ACE and on email regarding changes in responsibility and new contact points within the company.

Q. What should I do if someone asks me if I'll be a reference for them in their job search?

A. At ALZA, requests for references are referred to Human Resources, where they will confirm starting and ending dates, salary information and job titles. If someone leaving ALZA contacts you directly with a request for references, please remind or inform her or him of this practice. If she/he wants a reference that goes beyond this information, please refer her or him to Human Resources; with a written agreement allowing ALZA to release additional information, we may be able to accommodate such requests in some cases.

Q. What if one of my performance raters is no longer at ALZA?

A. If your rater list has dropped below the minimum number for your responsibility level, you will receive an e-mail notifying you of this fact. Please contact your supervisor and suggest additional rater(s); your supervisor can then enter those raters when the system reopens to complete supervisory review of rater lists.

Halloween Social A Success in Palo Alto

BY BRIEN T. MAHONEY

The Halloween Campus Social proved to be a great success in the Building A Cafeteria this year. Many ghosts and goblins attended to dine on ghoulish treats.

Among the entrants for the best costume contest were: first prize winner, Patty Edwards, of Project Management, dressed as a cat, complete with her tasty (and edible) kitty litter cake; second prize winner Mosby Simmons, of Information Technologies, dressed as a zombie punk rocker; third prize winner Isabel Castillo of Analytical Sciences, dressed as a ghoulish ghost. Also among the entrants were Brent Parry, of Development Engineering, in his feathered renaissance hat; and Howie Rosen, of Corporate Planning & Analysis in his scary "Death Ride" baseball cap. Arriving too late for the contest, but in costume nonetheless, was Michael Moore of Analytical Sciences, dressed as what he calls, "Lord Body Count." Michael made his cloak and mask himself.

Winning the cafeteria's giant pumpkin this year was Zenaida Rivera in Accounting.

A great time was had by all. Check out the photos and see for yourself!

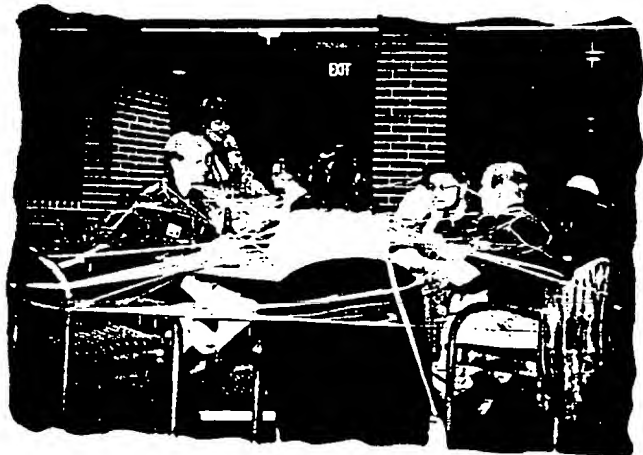


*Zenaida Rivera of Accounting
took home the giant pumpkin*



Contest entrants left to right - Patty Edwards, Isabel Castillo, Brent Parry, Mosby Simmons, and Howie Rosen. Brien Mahoney is seen in back officiating over the costume contest.

An employee got into the spirit with some very appropriate footwear.



Information Technologies was tied up in spider webs.

Michael Moore of Analytical Sciences went to the effort of making his own mask.



Employees Moving On

Below is the list of employees affected by the workforce reduction.

Swati Arndt	Quality Assurance	Gerald Jeong	Analytical Sciences
Patricia Bassett	ATI Biological Sciences	Lowell Johnson	ATI Biological Sciences
Brad Boysel	Implant Development	Nirmajit Kang	Info Resource Center
Helen Bridge	Clinical Res & Prod Dev	Helen Kerlin	Regulatory Affairs
Charles Bryden	Analytical Sciences	Galina Khesed	Info Resource Center
Mark Capestany	Quality Management	David Kidney	Oral Product Dev
Yu-Lin Chang	Statistics and Data Mgmt	Joseph Kroeten	Regulatory Compliance
Ewa Citkowicz	Quality Assurance	Jill Lazear	Corp & Investor Relations
William Dameron	Analytical Sciences	Eun Soo Lee	Transdermal Prod Dev
Michelle Dewey	Regulatory Compliance	Jonathan Lee	Info Resource Center
Philippe Dor	ATI Oral Research	Iris Leung	ATI Biological Sciences
Luke Finau	Toxicology	Sam Liberman	Transdermal Prod Dev
Alisi Fineasi	Implant Development	Anne Lucier	ALZA Pharmaceuticals
Tony Flores	Medical Writing	Melanie Marion	Electrotrans R&D (MN)
David Fontana	Clinical Res & Prod Dev	Barbara McCain	Info Resource Center
Susan Foster	ALZA Pharmaceuticals	Bruce Meier	Corporate Legal
William Gardner, Jr.	Microbiology	Karen Melin	Electrotrans R&D (MN)
Maida Greenberg	VV Human Resources	Carrie Menze	Human Resources
Marjory Hall	Regulatory Affairs	Ted Moss	PA Facilities Maint
Eduardo Halol	Toxicology	Carmel Mould	Info Resource Center
Judy Hamilton	Info Resource Center	Esmail Mozaffari	Clinical Res & Prod Dev
Lourdes Hammer	Info Resource Center	Melinda Nelson	Transdermal Prod Dev
Sharon Hansen	Accounting	Nancy Ngo	Treasurer's Office
Catherine Harper	Computer Support Spec	Tung Nguyen	Microbiology
Michele Heinold	Info Resource Center	Arlene Noodleman	Clinical Res & Prod Dev
Rand Hodapp	Oral Product Dev	Caroline Overby	Info Resource Center
Leslie Holladay	ATI Biological Sciences	Barbara Paley	ATI Technical Plan/Admin
Manley Huang	ATI Biological Sciences	Ajay Pandurangi	Electrotrans R&D (MN)

Continued on next page

Employees Moving On - Continued from previous page

Bernarr Pardo	Statistics and Data Mgmt	David Swisher	ATI Biological Sciences
Caridad Pereyra	Transdermal Prod Dev	Eduardo Sy	Oral Product Dev
Roy Porras	Quality Management	Gerald Taber	Clinical Res & Prod Dev
Yolanda Puga	ATI Oral Research	Richard Tata, Jr.	Env Health & Safety
Kathleen Raymond	Info Resource Center	John Tom	Accounting
Cesar Rivera	Info Resource Center	Jennifer Torres	Facilities
Susan Rodriguez	Clinical Res & Prod Dev	Hoang Truong	Quality Assurance
Wouter Roorda	Implant Development	Stephen Verano	Quality Assurance
Corene Ross	Electrotrans R&D (MN)	Kathryn Vetere	Purchasing
Gloria Ross	Electrotrans R&D (MN)	Maile Vi	Toxicology
Robert Rozett	Purchasing	Chau Vien	Electrotrans R&D (MN)
Nancy Ruis	ATI Biological Sciences	Tyler Watanabe	Transdermal Product Dev
Melodie Sample	Corp & Investor Relations	Marilyn Wells	Commercial Dev
Gregory Sawin	Medical Writing	Kathi Wildman	Clinical Res & Prod Dev
aren Sees	Clinical Res & Prod Dev	Jeri Dawn Wright	Oral Product Dev
Ronald Sette	Accounting	Yvonne Yang	Project Management
Karen Staples	Quality Management	Zhiling Yu	Clinical Pharmacology
Alan Svec	Regulatory Affairs	Su Il Yum	Transdermal Prod Dev

EXHIBIT B

Author: Byron Miller at ALZA-A
Date: 10/1/98 4:28 PM
Priority: Normal
TO: iris.k.leung@monsanto.com at ALZAINET
CC: Henrietta Votaw
Subject: ACR 2589 and 2589 CIP 1

----- Message Contents -----

Iris,

Greetings from Palo Alto! I got your e-mail address from Paula Dennis who tells me you are now working for Monsanto in St Louis, MO. I hope things are working out well for you there. What part of Monsanto are you working in; are you in their pharmaceutical division (GD Searle)??

The reason I'm writing is the following. We are preparing to file 2 patent applications. The first is regular US application based on a previously filed US provisional application which listed you as the sole inventor, our ARC 2589. You previously reviewed this application before the provisional was filed. The regular application is the same as the provisional so should require no additional input from you, other than to sign and return the assignment and declaration/power of attorney forms.

The second application is a CIP of the ARC 2589 application and has been extensively rewritten with input from Michel Cormier, Anna Muchnik and Lee Sendelbeck. However, the initial mention of dipeptide buffers is found in your provisional ARC 2589 application, so you are also listed as a co-inventor on the CIP application. You will therefore need to review the CIP application, and then sign and return the formal papers.

In connection with the review of these patent applications and the execution of formal papers, would you please give me your current home address, business address and daytime phone #. In addition, let me know where it would be most convenient for you to receive Fed Ex packages. Thanks for your help in this matter. With best regards,

Byron Miller
ALZA Corporation Legal Department

Author: IRIS.K.LEUNG@monsanto.com at ALZAINET

Date: 10/2/98 5:39 AM

Priority: Normal

TO: Byron Miller at ALZA-A

CC: Henrietta Votaw at ALZA-A

Subject: Re: ACR 2589 and 2589 CIP 1

----- Message Contents -----

Dear Byron,

Good to hear from you again. I joined G.D.Searle (the pharmaceutical division) at Monsanto recently. I'm working out of the St. Louis campus.

As for the documents, it is best to have them send to my home address:

14727 Greenleaf Valley Drive,
Chesterfield,
MO 63017-5514
(314)-532-5703

My office address is:

Iris Leung,
Mail Zone, AA2I,
Monsanto Life Sciences,
700 Chestefield Parkway North,
Chesterfield,
MO 63198
(314)-737-5846

If you have any questions, give me a call.

Iris



October 2, 1998

Ms. Iris K. Leung
14727 Greenleaf Valley Drive
Chesterfield, MO 63017-5514

Re: ARC 2589 and ARC 2589 CIP 1

Dear Ms. Leung,

Per Byron's email to you dated October 1, 1998 (copy attached), I have enclosed a copy of the specification for ARC 2589 CIP 1 for your review. If you are in agreement with the rewritten specification, please sign and date both the Declaration and Power of Attorney and the Assignment where indicated (no notarization is required). If you feel any corrections or changes need to be made, please call Byron at (650) 496-8150 immediately.

Also enclosed is one dollar as agreed to in the third paragraph of the Assignment.

I have enclosed a self-addressed Federal Express envelope for your convenience and return of the specification, Declaration and Power of Attorney and the Assignment. Thank you for your cooperation and timely return of said documents. With best regards.

Sincerely,

ALZA Corporation

Henrietta Votaw

Enclosures: Copy of ARC 2589 CIP 1 Specification
Original Copy of Declaration & Power of Attorney
Original Copy of Assignment
self-addressed, Federal Express Envelope

14727 Greenleaf Valley Drive,
Chesterfield, MO 63017
Oct 12, 1998

RECEIVED

OCT 19 1998

**ALZA CORPORATION
LEGAL DEPARTMENT**

Byron Miller Esq.,
ALZA Corp.,
950 Page Mill Road,
P.O. Box 10950,
Palo Alto CA 94303-0802

Re: ARC 2589 and ARC 2589 CIP1

Dear Byron,

In reply to your letter of October 2, 1998, I would like to let you know that I respectfully decline to sign the ARC 2589 CIP 1. I reviewed the document and found that the application mentioned in the aforementioned CIP is not related to the claims that were disclosed previously in ARC 2589.

If you would like me to return all the documents that were enclosed with the Oct 2 letter, please let me know.

Sincerely,



Iris Leung Ph.D

(314) 532-5703 (h)
(314) 737-5846 (w)

Author: Byron Miller at ALZA-A
Date: 10/27/98 6:02 PM
Priority: Normal
TO: iris.k.leung@monsanto.com at ALZAINET
CC: Steve Stone
CC: Henrietta Votaw
Subject: Filing US Patent Application without Inventor's Signature

----- Message Contents -----

To: Iris K. Leung, Ph.D.
Monsanto Corporation

Dear Iris,

After our phone conversation last evening, I started looking at the US Patent Office's rules of practice concerning the filing of a US patent application where an inventor refuses to sign the required oath and declaration. Such an "unsigned" application must be accompanied by a petition from Alza which discloses the pertinent facts. Should you continue to refuse to sign the formal papers, I will be forced to file this application with such a petition. One of the pertinent facts set forth in this petition will be your current addresses and phone numbers. Another pertinent fact is going to be a statement as to why you left the employment of Alza. This petition, and all of the information contained therein, will become available for public inspection once the US patent issues. Please keep this in mind when deciding whether or not you will sign the formal papers for the patent application now in your hands.

Lastly, I would remind you that when you became an Alza employee, you signed a written employment agreement which obligates you to do certain things, including reviewing patent applications and signing formal papers relating thereto, even after you have left Alza's employment! Therefore, you are still under a contractual obligation to Alza to sign the Declaration/Power of Attorney and the Assignment and to return these documents to Alza. Your refusal to sign these documents is a breach of your written employment agreement with Alza.

Please do the right thing and sign and return these documents to me. Thank you in advance for your kind cooperation. With best regards,

Sincerely,

Byron Miller

EXHIBIT C

200

CONFIDENTIAL INFORMATION, SECRECY AND INVENTION AGREEMENT

PLEASE READ CAREFULLY: THIS AGREEMENT AFFECTS IMPORTANT RIGHTS. DO NOT SIGN UNLESS YOU HAVE READ IT CAREFULLY AND ARE SATISFIED THAT YOU UNDERSTAND IT COMPLETELY.

AGREEMENT MADE AS OF Sept 3, 1991, between ALZA Corporation ("ALZA"), a Delaware corporation, and IRIS LEUNG ("Employee").

R E C I T A L S

1. Employee is or desires to be employed by ALZA in a capacity in which Employee will have access to, become acquainted with and contribute to, CONFIDENTIAL INFORMATION of ALZA.

2. It is of utmost importance that CONFIDENTIAL INFORMATION be kept secret and confidential.

3. ALZA will, in the ordinary course of business, through its employees and others, make INVENTIONS in new or related fields, and Employee understands that ALZA shall have certain rights to INVENTIONS of Employee.

4. It is the purpose of this Agreement to define the rights and obligations of ALZA and Employee with respect to CONFIDENTIAL INFORMATION of ALZA.

NOW THEREFORE, Employee and ALZA agree as follows:

1. Definitions.

For purposes of this Agreement:

(a) "ALZA" means ALZA Corporation or any other corporation, firm or partnership controlled directly or indirectly by ALZA Corporation or in which ALZA Corporation holds an ownership interest of twenty-five percent (25%) or more.

(b) "CONFIDENTIAL INFORMATION" means information disclosed to or acquired by Employee due to Employee's employment by ALZA, whether or not related to Employee's duties at ALZA, and includes but is not limited to, INVENTIONS, Patent Applications, TRADE SECRETS, or any other information of value relating to the business and/or fields of interest of ALZA, including information with respect to which ALZA is under an obligation of confidentiality with any third party. CONFIDENTIAL INFORMATION does not include information that is generally known to the public or any information known to and freely usable by Employee before Employee's employment by ALZA; provided, however, information for purposes of this Agreement shall be considered CONFIDENTIAL INFORMATION if not known by the public generally,

even though such information may have been disclosed to one or more third parties on a limited basis or pursuant to agreements entered into by ALZA;

(c) INVENTION(S) means any and all inventions, discoveries, concepts and ideas, whether patentable or not, including, but not limited to, processes, methods, formulas, computer programs, compositions, compounds, samples, techniques, articles, machines, and equipment, as well as improvements thereof

(i) resulting from work performed by Employee for ALZA or work utilizing equipment, supplies, facilities or TRADE SECRETS of ALZA or

(ii) which relate to the actual or anticipated business or research and development of ALZA,

and in each case, are made or conceived or completed by Employee individually or in conjunction with others during Employee's employment at ALZA; or, if based on or related to CONFIDENTIAL INFORMATION, within one (1) year after termination of employment.

(d) TRADE SECRET(S) means all information, know-how, concepts, data, knowledge, ideas and materials, however embodied, relating to the business of ALZA or ALZA's customers which have not been released to the public generally by an authorized representative of ALZA or have not otherwise lawfully entered the public domain. TRADE SECRETS shall include, but shall not be limited to, information, know-how, concepts, data, knowledge, computer programs, ideas and materials relating to ALZA's existing and future products, processes, INVENTIONS, research and development, technology, production costs, contract forms, drawings, designs, plans, proposals, marketing and sales plans and strategies, cost or pricing information, financial information, promotional methods, volume of sales, names or classes of customers and vendors, management procedures and organization, employee listings or directories, benefit plans and arrangements.

2. Proprietary Information of Others.

Employee shall not use for the benefit of ALZA, nor disclose to ALZA nor induce ALZA to use any information, know-how, concepts, data, knowledge, computer programs, ideas or materials, however embodied, with respect to which Employee is under an obligation of confidentiality to any third party imposed by law or by any agreement entered into prior to the date hereof. Employee represents and covenants that Employee's employment will not require Employee to violate any obligation to or confidence with a third party. Attached hereto as Attachment 1 is a list of, and copies of all agreements or court orders by which

Employee is bound and which relate to the subject matter of this Agreement.

3. Secrecy Agreement.

Employee acknowledges and understands that CONFIDENTIAL INFORMATION must be kept secret and used only as authorized herein. Employee shall at all times during the period of employment and thereafter keep in confidence and trust all CONFIDENTIAL INFORMATION. Employee shall use CONFIDENTIAL INFORMATION only in the course of performing duties as an employee of ALZA, and not for any other purpose. Employee shall not, directly or indirectly, disclose any CONFIDENTIAL INFORMATION to any person, organization or entity, except in the course of performing duties as an employee of ALZA and only in the manner prescribed by ALZA. Employee shall abide by those ALZA policies and regulations established from time to time for the protection of CONFIDENTIAL INFORMATION. During Employee's employment at ALZA, and after termination thereof, Employee shall not, directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any activity of any nature whatsoever, the performance of which would have a reasonable likelihood of placing Employee in conflict with the obligations of confidence and trust regarding CONFIDENTIAL INFORMATION imposed herein.

4. Return of Documents and Materials.

Employee agrees that all documents, reports, drawings, prototypes, materials, products, tools, designs, equipment, plans, computer programs, proposals, marketing and sales plans, blueprints, reproductions, specifications, and other documents or things made by Employee or that come into Employee's possession in the course of employment with ALZA are the property of ALZA and will not be used by the Employee for any purpose other than the business of ALZA. Employee will not deliver, reproduce or in any way allow such documents or things to be delivered or be used by any third parties without specific direction or consent of a duly authorized representative of ALZA. Upon termination of employment, Employee will promptly deliver to ALZA the above documents and materials, together with any copies thereof.

5. Disclosure and Assignment of Inventions.

(a) All INVENTIONS shall be the sole and exclusive property of ALZA. Employee shall, without royalty or any further consideration to Employee therefor, but at the expense of ALZA:

(i) as promptly as known or possessed by Employee, disclose to ALZA all information with respect to all

INVENTIONS;

(ii) whenever requested to do so, by ALZA, promptly execute any and all applications, assignments and other instruments which ALZA shall deem necessary to apply for and obtain letters patent of the United States and of foreign countries for said INVENTIONS, and to assign and convey to ALZA or to ALZA's nominee the sole and exclusive right, title and interest in and to said INVENTIONS or any applications or patents thereon;

(iii) whenever requested to do so by ALZA, deliver to ALZA evidence for interference purposes or other legal proceeding and testify in any interference or other legal proceeding; and

(iv) do such other acts as may be necessary in the opinion of ALZA to obtain and maintain United States and foreign letters patent for INVENTIONS.

(b) Employee is hereby advised that this Paragraph 5 does not apply to an invention which qualifies fully under the provisions of Section 2870 of the California Labor Code. Employee agrees, with respect to any invention disclosed to ALZA that qualifies fully under such Section 2870, that the obligation imposed by Section 2871 of the California Labor Code that such disclosure be received in confidence by ALZA, shall be satisfied if during the first nine months after receipt by ALZA, ALZA uses the disclosure or the invention only for the purpose of evaluation. Thereafter, Employee agrees that any remedies Employee may have for use or disclosure of the invention shall be limited to those remedies provided by the patent laws of the United States and foreign countries. Attachment 2 hereto is a copy of Sections 2870-2872 of the California Labor Code.

6. Invention Exclusions.

(a) Employee represents that Attachment 3 hereto identifies all inventions, discoveries, concepts or ideas, if any, to which Employee presently has any right, title or interest, and which were previously conceived either wholly or in part by Employee, but neither actually reduced to practice or filed in the United States Patent and Trademark Office and which Employee desires to exclude from the operation of Paragraph 5 hereof.

(b) In the event Employee files a patent application or authorizes a patent application to be filed, including an application relating to subject matter identified in Attachment 3 hereof, whether filed alone or with others in the future, which in the reasonable opinion of patent counsel for ALZA contains claims directed to one or more INVENTIONS to which ALZA has

rights under Paragraph 5 hereof, each such claim shall be construed as an INVENTION which is the sole and exclusive property of ALZA under the provisions of Paragraph 5 of this Agreement.

7. Shop Rights.

ALZA shall have the royalty-free right to use in its business, and to make, use and sell, processes, methods, formulas, computer programs, compositions, compounds, techniques, articles, machines and equipment, as well as any improvements thereof or know-how related thereto, derived from or embodying any invention, discovery, concept or idea which is not an INVENTION, but which was made, conceived or completed by Employee during the hours in which Employee is employed by ALZA or with the use or assistance of ALZA's facilities, materials or personnel.

8. Injunction.

Employee agrees that it would be difficult to measure actual damage to ALZA from any breach by Employee of any of the provisions set forth in Paragraphs 3, 4, 5, 6 or 7 hereof, that potential damage to ALZA from any such breach would be impossible to estimate at this time and that money damages alone would be an inadequate remedy for any such breach. Accordingly, Employee agrees that if Employee shall breach any provision of Paragraphs 3, 4, 5, 6 or 7, ALZA shall be entitled, in addition to any other remedies it may have, to specific performance, injunction or other appropriate orders correcting or restraining any such breach by Employee, without showing or proving any actual damage sustained by ALZA.

9. Not a Contract of Employment

It is the purpose of this Agreement to expressly define certain of the conditions which shall apply to the employment of Employee by ALZA. This Agreement is not an offer or contract of employment and does not impose on either Employee or ALZA any obligation to continue employment. ALZA and Employee expressly agree that no prior contract imposing an obligation to continue employment exists unless a copy of such prior contract signed by both parties is attached hereto as Attachment 4.

10. General.

(a) Employee agrees that prior to termination of employment, Employee will meet with representatives of ALZA to review the terms of this Agreement and Employee's obligations under it.

(b) Employee shall keep ALZA personnel advised of

Employee's home and business address for a period of three years after termination of employment with ALZA so that ALZA can contact Employee regarding the continuing obligations imposed by this Agreement.

(c) To the extent that any of the agreements set forth herein, or any word, phrase, clause or sentence hereof, shall be found to be illegal or unenforceable for any reason, such agreement, word, phrase, clause or sentence shall be modified or if necessary, deleted in such a manner so as to make the Agreement, as so modified, legal and enforceable under applicable laws. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning and not strictly for or against any of the parties.

(d) This Agreement shall be binding upon Employee and Employee's heirs, executors, assigns and administrators, and shall inure to the benefit of ALZA, its successors and assigns.

(e) This Agreement shall be governed by the laws of the state of California and shall in all respects be interpreted and enforced under the laws of California. Employee and ALZA specifically agree that any legal action relating to this Agreement shall be instituted and prosecuted in the courts in Santa Clara County, California, and each party waives the right to change venue therefrom.

(f) This Agreement sets forth the entire agreement between Employee and ALZA with respect to the subject matter hereof and fully supersedes any and all previous oral or written communications, representations, promises or agreements between the parties relating to the subject matter hereof.

(g) This Agreement may not be changed or otherwise modified except by an written instrument signed by the Employee and an authorized representative of ALZA.

11. Survival of Agreement.

The rights and obligations of the parties hereto shall survive termination for any reason of Employee's employment with ALZA.

On the basis that this Agreement is made freely and voluntarily, Employee and ALZA hereby execute this agreement as of the date first above written and acknowledge acceptance of the terms hereof by affixing their signatures where indicated below:

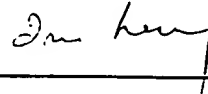
PLEASE READ CAREFULLY: THIS AGREEMENT AFFECTS IMPORTANT RIGHTS. DO NOT SIGN UNLESS YOU HAVE READ IT CAREFULLY AND ARE SATISFIED THAT YOU UNDERSTAND IT COMPLETELY.

ALZA CORPORATION

By 

Title Sr. Director, Human Resources

EMPLOYEE



IRIS LEUNG

Print Name

CAG:njr 1/20/89

ATTACHMENT 1

ALZA CORPORATION

CONFIDENTIAL INFORMATION, SECRECY AND INVENTION AGREEMENT

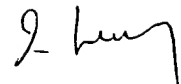
Agreements and Court Orders with copies thereof, to which Employee is bound, prior to employment with ALZA and which relate to the subject matters discussed in the Agreement.

None

J. Long

ATTACHMENT 2

ALZA CORPORATION



CONFIDENTIAL INFORMATION, SECRECY AND INVENTION AGREEMENT

California Labor Code Section 2870

Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employee was used and which was developed entirely on the employee's own time, and (a) which does not relate (1) to the business of the employer or (2) to the employer's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

California Labor Code Section 2871

No employer shall require a provision made void and unenforceable by Section 2870 as a condition of employment or continued employment. Nothing in this article shall be construed to forbid or restrict the right of an employer to provide in contracts of employment for disclosure, provided that any such disclosures be received in confidence, of all of the employee's inventions made solely or jointly with others during the term of his or employment, a review process by employer to determine such issues as may arise, and for full title to certain patents and inventions to be in the United States, as required by contracts between the employer and the United States or any of its agencies.

California Labor Code Section 2872

If an employment agreement entered into after January 1, 1980, contains a provision requiring the employee to assign or offer to assign any of his or her rights in any invention to his or her employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention which qualifies fully under the provision of Section 2870. In any suit or action arising thereunder, the burden of proof shall be on the employee claiming the benefits of its provisions.

ATTACHMENT 3

ALZA CORPORATION

CONFIDENTIAL INFORMATION, SECRECY AND INVENTION AGREEMENT

Inventions excluded per Paragraph 6. If none, so state.

None

J. Long

ATTACHMENT 4

ALZA CORPORATION

CONFIDENTIAL INFORMATION, SECRECY AND INVENTION AGREEMENT

Prior contract(s) of employment per Paragraph 9. If none so state.

none

J. Long